

Assistant Director for Intelligence Coordination

18 September 1952

Assistant Director for Operations

Intelligence Deficiencies Revealed in SE-27

REFERENCE: AD/IC Memorandum, Same Subject, dated 8 September 1952

I. Translation (Reference Memorandum, paragraph d)

A. Unclassified Translation

Foreign Documents Division of the Office of Operations has contractual arrangements for handling the translation of unclassified Chinese language materials. This procedure can be used for sizeable amounts of work, subject to three limitations 1) this service is used only for CIA offices; 2) individual requirements are necessary for each job; 3) funds.

For coordination of the unclassified translation needs of the intelligence community the following program is suggested:

1. FDD, on the basis of specific requests, will handle the unclassified translation needs of CIA.

2. With the cooperation of the departmental intelligence agencies, a central index of all translations in process will be maintained by FDD and periodic notification will be made to those agencies through the medium of the Consolidated Translation Survey.

This arrangement will assure that all offices of the IAC will benefit from translation done for any office if it fits their requirements and will also prevent duplication (triplication, etc.) of translation work on any one item.

This is the most efficient and economical method of handling the vast quantities of unclassified translation needed.

B. Classified Translation

Foreign Documents Division is at present organized to handle translation of classified documents in Chinese for CIA offices on the basis of estimates of need submitted by each office. The overwhelming majority of this (about 90 percent) has been political material. Upon the present estimate of receipt of classified economic source material, FDD will be able to absorb translation of CIA needs if pending T/O is approved and if priority for clearance of Chinese translators is authorized.

*SUGG*

II. Exploitation (Reference Memorandum, paragraph e)

Exploitation is the most efficient method of handling vast quantities of foreign language material. It is the only practical method for handling press material, which, because of China's State Security Laws, is the source of about 90 percent of the overtly published economic information on China.

25X1C

The following recommendations are made:

1. All requirements of all IAC offices for exploitation of economic information on China from foreign language documents be channelled through CIA/OCD, a member of which office will be chairman of a proposed Interdepartmental Committee on Requirements for Exploitation of Chinese Economic Documents, which will include representatives of ORR; IAD, State Department; and FDD.

2. The above-named Committee should:

a) Draw up an initial plan for division of exploitation activities between FDD [redacted]

25X1A

25X1A

b) Make ad hoc decisions on the assignment of requirements between FDD [redacted]

25X1A

c) Recommend for approval the assignment of a project for external research when an IAC requirement is beyond the "normal" operational capability of the two exploitation activities.

25X1A

d) Study and make recommendations when necessary for increases in the T/O [redacted] for FDD so that they may achieve "normal" operational capability. "Normal" operational capability as used here means the capability to handle all requirements on a continuous basis, except unusual type requirements for which a permanent T/O could not economically be maintained.

3. All IAC offices having requirements for economic information on China should:

SECRET

SECRET

- a) Revise their requirements list quarterly.
- b) Serve ad hoc requirements with specifications of time of coverage, "specific" data required, and date data is required.

5/

GEORGE G. CAREY

JBagnall/GGCarey:mbl - FDD/00 *B*

Orig. & 1 Addressee  
cc: 00 - 2 ✓  
FDD - 1

Mr. Bagnall hand-carried  
to meeting at 2 p.m. with a/s/IC.  
(orig. +1 for addressee and  
3 extra copies.)

SECRET